

## ABSTRACT OF THE DISCLOSURE

There is provided herein a system and method for enabling a digital photo device to create pictures that contain live images that have been combined with predefined templates in real time, wherein the user selects graphical or effect templates which have been provided by the software developer. Preferably the combination of the templates and subject image will be displayed in real-time so that the user will know exactly how the final product will appear before the image is captured. Preferably, a preview screen will be used to display the combined templates / subject image in real time and the final digital image is similarly captured, calculated, and stored in real time.

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